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FILED

JAN 25 2023

Clerk, U.S. District Court
District of Montana
Missoula

ATTORNEY FOR PLAINTIFF
UNITED STATES OF AMERICA

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MONTANA
BUTTE DIVISION**

UNITED STATES OF AMERICA, Plaintiff, vs. DARCEL PORTRA SAUNDERS, Defendant.	CR 23- 2 -BU- DLC INDICTMENT WIRE FRAUD (Counts 1-2) Title 18 U.S.C. § 1343 (Penalty: 20 years of imprisonment, \$250,000 fine, and three years of supervised release) MONEY LAUNDERING (Counts 3-4) Title 18 U.S.C. § 1957 (Penalty: Ten years of imprisonment, \$250,000 fine, and three years of supervised release) CRIMINAL FORFEITURE Title 18 U.S.C. §§ 981(a)(1)(C), 982(a)(1), Title 28 U.S.C. § 2461(c)
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THE GRAND JURY CHARGES:

INTRODUCTION

At all times relevant to this indictment:

The Small Business Administration

The United States Small Business Administration (“SBA”) is an executive-branch agency of the United States government that provides support to entrepreneurs and small businesses. The mission of the SBA is to maintain and strengthen the nation’s economy by enabling the establishment and viability of small businesses and by assisting in the economic recovery of communities after disasters.

As part of this effort, the SBA enables and provides for loans through banks, credit unions, and other lenders. These loans have government-backed guarantees.

The Paycheck Protection Program

The Coronavirus Aid, Relief, and Economic Security (“CARES”) Act was a federal law enacted in or around March 2020 and designed to provide emergency financial assistance to the millions of Americans who were suffering the economic effects caused by the COVID-19 pandemic. One source of relief provided by the CARES Act was the authorization of forgivable loans to small businesses for job retention and other expenses, through a program referred to as the Paycheck Protection Program (“PPP”).

To obtain a PPP loan, a qualifying business was required to submit a PPP

loan application, which was signed by an authorized representative of the business. The PPP loan application required the business (through its authorized representative) to acknowledge the program rules and make affirmative certifications to be eligible to obtain the PPP loan.

A PPP loan application had to be processed by a participating financial institution (the “lender”). If a PPP loan application was approved, the lender funded the PPP loan using its own monies, which were 100% guaranteed by the SBA. Data from the application, including information about the borrower, the total amount of the loan, and the listed number of employees, was transmitted by the lender to the SBA while processing the loan.

PPP loan proceeds were required to be used by the business on certain permissible expenses—payroll costs, interest on mortgages, rent, and utilities. The PPP allowed the interest and principal on the PPP loan to be entirely forgiven if the business spent the loan proceeds on these expense items within a designated period and used a certain percentage of the PPP loan proceeds on payroll expenses.

Relevant Financial Institution

Opportunity Bank of Montana (OBM) is a Federal Deposit Insurance Corporation-insured financial institution with several branches throughout Montana, including in Bozeman. OBM participated in the SBA’s PPP as a lender, and as such, was authorized to lend funds to eligible borrowers under the terms of

the PPP. OBM received applications from business owners and submitted them to SBA for final approval.

WIRE FRAUD
COUNTS 1-2

THE SCHEME TO DEFRAUD

Beginning on or about April 6, 2020, and continuing until on or about July 1, 2021, at Bozeman, in Gallatin County, in the State and District of Montana, and elsewhere, the defendant, DARCEL PORTRA SAUNDERS, on behalf of Cottonwood Case Management, with the intent to defraud, knowingly devised a scheme and plan for obtaining money by means of material false and fraudulent pretenses, representations, promises, and omissions, and in doing so caused wire communications to be transmitted in interstate commerce.

To execute the scheme, the defendant, DARCEL PORTRA SAUNDERS, falsely certified to the SBA that PPP loan proceeds she applied for and received would be used as working capital for her business, when, in fact, she intended to use, and did use, the loan proceeds for her personal benefit.

INTERSTATE WIRES

COUNT 1

On or about April 6, 2020, in Gallatin County, in the State and District of Montana, the defendant, DARCEL PORTRA SAUNDERS, for the purpose of executing the scheme, knowingly caused to be transmitted in interstate commerce a

wire communication between Montana and Illinois. Specifically, DARCEL PORTRA SAUNDERS completed, signed, and sent electronically a Borrower Application Form to OBM seeking a \$225,600 PPP loan for which she represented, “The funds will be used to retain workers and maintain payroll or make mortgage interest payments, lease payments, and utility payments as specified under the Paycheck Protection Program Rule,” but upon receiving those funds, SAUNDERS used them for her personal expenses, in violation of 18 U.S.C. § 1343.

COUNT 2

On or about June 1, 2021, in Gallatin County, in the State and District of Montana, the defendant, DARCEL PORTRA SAUNDERS, for the purpose of executing the scheme, knowingly caused to be transmitted in interstate commerce a wire communication between Montana and Virginia. Specifically, DARCEL PORTRA SAUNDERS completed, electronically signed, and submitted a PPP Loan Forgiveness Application Form in which she represented she used the proceeds only for payroll costs and lease payments for CCM, based on which SBA forgave the loan in its entirety in addition to the interest accrued, in violation of 18 U.S.C. § 1343.

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MONEY LAUNDERING
COUNTS 3-4

COUNT 3

On or about April 29, 2020, at Bozeman, in Gallatin County, in the State and District of Montana, the defendant, DARCEL PORTRA SAUNDERS, knowingly engaged in a monetary transaction by, through, and to a financial institution, with criminally derived property of a value greater than \$10,000, affecting interstate and foreign commerce. Specifically, she made an electronic payment of \$13,942.01 to her personal American Express credit card account ending in 9-42008, such money having been derived from specified unlawful activity, that is wire fraud as described in counts 1 and 2, in violation of 18 U.S.C. § 1957.

COUNT 4

On or about August 19, 2020, at Billings, in Yellowstone County, in the State and District of Montana, the defendant, DARCEL PORTRA SAUNDERS, knowingly engaged in a monetary transaction by, through, and to a financial institution, with criminally derived property of a value greater than \$10,000, affecting interstate and foreign commerce. Specifically, she wrote a check in the amount of \$62,671.00 to Archie Cochran Ford to purchase a 2020 Ford F-150, such money having been derived from specified unlawful activity, that is wire fraud as described in counts 1 and 2, in violation of 18 U.S.C. § 1957.

FORFEITURE

Upon conviction of either of the wire fraud offenses set forth in counts 1 and 2 of this indictment, the defendant, DARCEL PORTRA SAUNDERS, shall forfeit to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), any property, real or personal, that constitutes or is derived from proceeds traceable to the offense.

Upon conviction of the money laundering offenses set forth in counts 3 and 4 of this indictment, the defendant, DARCEL PORTRA SAUNDERS, shall forfeit to the United States, pursuant to 18 U.S.C. § 982(a)(1), all right, title, and interest in property, real and personal, involved in said violations, or any property traceable to such property.

The property to be forfeited includes, but is not limited to, the following:

- a 2020 Ford F-150, bearing Vehicle Identification Number 1FTEW1EG4LFB79757.

The United States of America, pursuant to 21 U.S.C. § 853(p), shall be entitled to forfeiture of substitute property if any of the property that is subject to forfeiture:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or

e. has been commingled with other property which cannot be divided without difficulty.

A TRUE BILL.

Foreperson signature redacted. Original document filed under seal.

FOREPERSON



JESSE A. LASLOVICH
United States Attorney

For 
CYNDEE L. PETERSON
Criminal Chief Assistant U.S. Attorney